





# City of Loma Linda Official Report

Karen Gaio Hansberger, Mayor  
Floyd Petersen, Mayor pro tempore  
Robert Christman, Councilmember  
Stan Brauer, Councilmember  
Robert Ziprick, Councilmember

COUNCIL AGENDA: June 22, 2004

TO: City Council

VIA: Dennis R. Halloway, City Manager 

FROM: Pamela Byrnes-O'Camb, City Clerk/Agency Secretary 

SUBJECT: **Joint Public Hearing** of the City Council and Redevelopment Agency pertaining to the sale of property known as 10946 Cabrillo Loop [**Special Counsel**]

## **RECOMMENDATION**

It is recommended that the City Council adopt Council Bill #R-2004-36 and that the Agency Board adopt CRA Bill #R-2004-15.

## **BACKGROUND**

The house located at 10946 Cabrillo Loop is one of 35 houses in the Parkside Homes Development on which an affordability covenant was recorded. The previous owner relocated and offered the house to the Agency. The Agency purchased the subject house in April 2004; thus protecting the affordability covenant.

A new buyer has been qualified to purchase the house, has also qualified for San Bernardino County Housing Assistance Program (HAP) funding; therefore, Agency assistance would take the form of taking back a trust deed; a cash outlay would not be required. The term of the affordability covenant will be modified to reflect current law of 45 years and additional restrictions will be imposed under the proposed agreement.

## **ANALYSIS**

The sale of the house will retain the affordability covenant and provide a family within the lower income category the opportunity to purchase a home.

## **ENVIRONMENTAL**

Not applicable.

## **FINANCIAL IMPACT**

The sale of the property will provide the Agency with funding to increase, improve and preserve its supply of affordable housing available to income-qualified persons and families pursuant to the Agency's Affordable Housing Program.

**AGENDA ITEM 4**

RESOLUTION NO. \_\_\_\_

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LOMA LINDA  
CONSENTING TO THE APPROVAL BY THE LOMA LINDA REDEVELOPMENT  
AGENCY APPROVING AN AGREEMENT FOR THE DISPOSITION OF PROPERTY  
FOR AFFORDABLE HOUSING USE WITH MARC AMADOR AND JENNIFER  
AMADOR (10946 Cabrillo Loop)

WHEREAS, California Health and Safety Code Sections 33334.2 and 33334.6 authorize and direct the Loma Linda Redevelopment Agency (the "Agency") to expend a certain percentage of all taxes which are allocated to the Agency pursuant to Section 33670 for the purposes of increasing, improving and preserving the community's supply of low and moderate income housing available at affordable housing cost to persons and families of low- and moderate-income, lower income, and very low income; and

WHEREAS, pursuant to applicable law the Agency has established a Low and Moderate Income Housing Fund (the "Housing Fund"); and

WHEREAS, pursuant to Health and Safety Code Section 33334.2(e), in carrying out its affordable housing activities, the Agency is authorized to provide subsidies to or for the benefit of very low income and lower income households, or persons and families of low or moderate income, to the extent those households cannot obtain housing at affordable costs on the open market, and to provide financial assistance for the construction and rehabilitation of housing which will be made available at an affordable housing cost to such persons; and

WHEREAS, pursuant to Section 33413(b), the Agency is required to ensure that at least 15 percent of all new and substantially rehabilitated dwelling units developed within a project area under the jurisdiction of the Agency by private or public entities or persons other than the Agency shall be available at affordable housing cost to persons and families of low or moderate income; and

WHEREAS, the Agency has received a proposal from Marc Amador and Jennifer Amador ("Buyer") to acquire from the Agency a residence at 10946 Cabrillo Loop (the "Site") for the purpose of residing at the Site;

WHEREAS, the Buyer acknowledges that the use of the Site will be restricted to households of limited income, all as more particularly provided in the "Agreement", as described below; and

WHEREAS, the Agency staff has reviewed the Buyer's eligibility for acquisition of the Site; and

WHEREAS, in order to carry out and implement the Redevelopment Plan for the Agency's redevelopment projects and the affordable housing requirements thereof, the Agency proposes to enter into an agreement in the form submitted herewith (the "Agreement") with the Buyer, pursuant to which the Agency would sell the Site to the Buyer under a form of deed (the "Agency Deed") which includes long-term affordability covenants limiting the use of property to affordable housing; and

WHEREAS, the sale of the Site to the Buyer will promote the Redevelopment Plan by furthering the provision of affordable housing and providing for mechanisms to better assure the long-term affordability of the Site; and

WHEREAS, the Agency has duly considered all terms and conditions of the proposed Agreement and believes that the Agreement is in the best interests of the Agency and the City and the health, safety,

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and welfare of its residents, and in accord with the public purposes and provisions of applicable State and local law requirements; and

WHEREAS, the purchase price to be received by the Agency under the Agreement is not less than the fair reuse value of the Site, as determined by a reuse value analysis prepared for the Agency by Community Advisors, a consultant retained by the Agency; and

WHEREAS, all actions required by all applicable law with respect to the proposed Agreement have been taken in an appropriate and timely manner; and

WHEREAS, the Agency and the City Council have duly considered all of the terms and conditions of the proposed Agreement and believes that the redevelopment of the Site pursuant to the Agreement is in the best interests of the City of Loma Linda and the health, safety, and welfare of its residents, and in accord with the public purposes and provisions of applicable state and local laws and requirements.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF LOMA LINDA DOES RESOLVE AS FOLLOWS:

Section 1. The City Council finds and determines that, based upon substantial evidence provided in the record before it, the consideration for the Agency's disposition of the Site by sale pursuant to the terms and conditions of the Agreement, particularly including long-term affordability covenants, is not less than the fair reuse value at the use and with the covenants and conditions and development costs authorized by the Agreement.

Section 2. The City Council hereby finds and determines that the disposition by sale of the Site by the Agency pursuant to the Agreement will further the achievement of the Agency's affordable housing objectives within the Project Area.

Section 3. The City Council consents to the execution of the Agreement by the Agency, through its Executive Director, and further authorizes and consents to such modifications as the Agency may deem appropriate.

PASSED, APPROVED AND ADOPTED this 22nd day of June 2004 by the following vote:

Ayes:

Noes:

Absent:

Abstain:

By:

Karen Gaio Hansberger, Mayor

ATTEST:

Pamela Byrnes-O'Camb, City Clerk

## RESOLUTION NO. \_\_\_\_\_

A RESOLUTION OF THE LOMA LINDA REDEVELOPMENT AGENCY  
APPROVING AN AGREEMENT FOR THE DISPOSITION OF PROPERTY FOR  
AFFORDABLE HOUSING USE WITH MARC AMADOR AND JENNIFER  
AMADOR (10946 Cabrillo Loop)

WHEREAS, California Health and Safety Code Sections 33334.2 and 33334.6 authorize and direct the Loma Linda Redevelopment Agency (the "Agency") to expend a certain percentage of all taxes which are allocated to the Agency pursuant to Section 33670 for the purposes of increasing, improving and preserving the community's supply of low and moderate income housing available at affordable housing cost to persons and families of low- and moderate-income, lower income, and very low income; and

WHEREAS, pursuant to applicable law the Agency has established a Low and Moderate Income Housing Fund (the "Housing Fund"); and

WHEREAS, pursuant to Health and Safety Code Section 33334.2(e), in carrying out its affordable housing activities, the Agency is authorized to provide subsidies to or for the benefit of very low income and lower income households, or persons and families of low or moderate income, to the extent those households cannot obtain housing at affordable costs on the open market, and to provide financial assistance for the construction and rehabilitation of housing which will be made available at an affordable housing cost to such persons; and

WHEREAS, pursuant to Section 33413(b), the Agency is required to ensure that at least 15 percent of all new and substantially rehabilitated dwelling units developed within a project area under the jurisdiction of the Agency by private or public entities or persons other than the Agency shall be available at affordable housing cost to persons and families of low or moderate income; and

WHEREAS, the Agency has received a proposal from Marc Amador and Jennifer Amador ("Buyer") to acquire from the Agency a residence at 10946 Cabrillo Loop (the "Site") for the purpose of residing at the Site;

WHEREAS, the Buyer acknowledges that the use of the Site will be restricted to households of limited income, all as more particularly provided in the "Agreement", as described below; and

WHEREAS, the Agency staff has reviewed the Buyer's eligibility for acquisition of the Site; and

WHEREAS, in order to carry out and implement the Redevelopment Plan for the Agency's redevelopment projects and the affordable housing requirements thereof, the Agency proposes to enter into an agreement in the form submitted herewith (the "Agreement") with the Buyer, pursuant to which the Agency would sell the Site to the Buyer under a form of deed (the "Agency Deed") which includes long-term affordability covenants limiting the use of property to affordable housing; and

WHEREAS, the sale of the Site to the Buyer will promote the Redevelopment Plan by furthering the provision of affordable housing and providing for mechanisms to better assure the long-term affordability of the Site; and

WHEREAS, the Agency has duly considered all terms and conditions of the proposed Agreement and believes that the Agreement is in the best interests of the Agency and the City and the health, safety, and welfare of its residents, and in accord with the public purposes and provisions of applicable State and local law requirements; and

WHEREAS, the purchase price to be received by the Agency under the Agreement is not less than the fair reuse value of the Site, as determined by a reuse value analysis prepared for the Agency by Community Advisors, a consultant retained by the Agency; and

WHEREAS, all actions required by all applicable law with respect to the proposed Agreement have been taken in an appropriate and timely manner; and

WHEREAS, the Agency and the City Council have duly considered all of the terms and conditions of the proposed Agreement and believes that the redevelopment of the Site pursuant to the Agreement is in the best interests of the City of Loma Linda and the health, safety, and welfare of its residents, and in accord with the public purposes and provisions of applicable state and local laws and requirements.

NOW, THEREFORE, THE LOMA LINDA REDEVELOPMENT AGENCY DOES RESOLVE AS FOLLOWS:

Section 1. The Agency finds and determines that, based upon substantial evidence provided in the record before it, the consideration for the Agency's disposition of the Site by sale pursuant to the terms and conditions of the Agreement, particularly including long-term affordability covenants, is not less than the fair reuse value at the use and with the covenants and conditions and development costs authorized by the Agreement.

Section 2. The Agency hereby finds and determines that the disposition by sale of the Site by the Agency pursuant to the Agreement will further the achievement of the Agency's affordable housing objectives within the Project Area.

Section 3. The Agency hereby approves the Agreement in substantially the form presented to the Agency, subject to such revisions as may be made by the Executive Director of the Agency or his designee. The Executive Director of the Agency is hereby authorized to execute the Agreement (including without limitation all attachments thereto) on behalf of the Agency, together with any instruments necessary or convenient to implement the Agreement. A copy of the Agreement shall, when executed by the Agency, be placed on file in the office of the Secretary of the Agency.

Section 5. The Executive Director of the Agency (or his designee) is hereby authorized, on behalf of the Agency, to make revisions to the Agreement which do not materially or substantially increase the Agency's obligations thereunder or materially or substantially change the uses or development permitted on the Site, to sign all documents, to make all approvals and take all actions necessary or appropriate to carry out and implement the Agreement and to administer the Agency's obligations, responsibilities and duties to be performed under the Agreement and related documents.

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PASSED, APPROVED AND ADOPTED this 22ND day of June, 2004 by the following  
vote:

Ayes:  
Noes:  
Absent:  
Abstain:

By: \_\_\_\_\_  
Robert Ziprick, Chairman

ATTEST:

\_\_\_\_\_  
Pamela Byrnes-O'Camb, Agency Secretary